

# EXHIBIT 10

**UNITED STATES DISTRICT COURT  
DISTRICT OF SOUTH CAROLINA  
FLORENCE DIVISION**

CITY OF ANN ARBOR EMPLOYEES' ) No. 4:08-cv-02348-TLW-TER  
RETIREMENT SYSTEM, On Behalf of )  
Itself and All Others Similarly Situated, )  
Plaintiff, )  
vs. )  
SONOCO PRODUCTS CO., HARRIS E. )  
DELOACH JR., and CHARLES J. )  
HUPFER, )  
Defendants. )

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**EXPERT REPORT OF CATHY M. NIDEN, Ph.D.**

**March 1, 2010**

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**I. QUALIFICATIONS**

1. I, Cathy M. Niden, am a Director at LECG, LLC ("LECG"), a business and economics consulting firm which provides litigation support services, including expert testimony in the fields of economics and finance.
2. I hold a Ph.D. in business with concentrations in finance and economics from the Booth School of Business (formerly the "Graduate School of Business") of the University of Chicago. I also hold an M.B.A. from the Booth School of Business of the University of Chicago.
3. I was formerly an Assistant Professor at the College of Business Administration of the

University of Notre Dame and at the Joseph M. Katz Graduate School of Business of the University of Pittsburgh. While at the University of Notre Dame and the University of Pittsburgh, I taught courses on financial economics.

4. I also served as Academic Economic Fellow and Associate Chief Economist at the Office of Economic Analysis of the U.S. Securities and Exchange Commission.
5. LECG bills my time at the rate of \$600 per hour. My compensation is not dependent on the content of my testimony or the outcome of this litigation. My *curriculum vitae*, which lists my prior testimony and my publications, is attached as Exhibit A.

## **II. INTRODUCTION AND SUMMARY OF OPINIONS**

6. Sonoco Products Company (“Sonoco” or the “Company”) manufactures consumer and industrial packaging products and provides packaging services.<sup>1</sup>
7. During the second half of 2007, Sonoco made a series of announcements relating to its second quarter, third quarter and full year financial performance. On July 20, 2007, Sonoco announced the Company's financial results for the second quarter of 2007.
8. Sonoco's stock price closed at \$38.00 on July 20, 2007, down \$6.30 or 14.22% from the previous day's closing price of \$44.30.
9. On September 18, 2007, Sonoco lowered its base earnings guidance for the third quarter of 2007 and for the full year of 2007. On the same day, Sonoco's stock price closed at \$30.78, down \$2.42 or 7.3% from the previous day's closing price of \$33.20.
10. Lead plaintiff City of Ann Arbor Employees' Retirement System (“Plaintiff”) claims that Defendants “issued materially false and misleading statements regarding the Company's business and financial results” during the proposed Class Period, which extends from February 7, 2007 through September 18, 2007.<sup>2</sup> According to Plaintiff, Sonoco agreed to price concessions for customers of its Consumer Packaging segment, but did not reveal

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<sup>1</sup> Sonoco Products Company Form 10-K, for the fiscal year ended December 31, 2007, see p. 4.

<sup>2</sup> Amended Class Action Complaint, *City of Ann Arbor Employees' Retirement System vs. Sonoco Products Co., Harris E. DeLoach Jr., and Charles J. Hupfer*, Before the United States District Court, District of South Carolina, Florence Division, Case No. 4:08-cv-02348-TLW-TER, October 14, 2008 (“Amended Complaint”), see p. 1 and ¶ 3.

these price concessions to the market.<sup>3</sup>

11. In connection with its Motion for Class Certification, Plaintiff filed the Declaration of John D. Finnerty, Ph.D. in Support of Lead Plaintiff's Motion for Class Certification ("Finnerty Declaration"). Dr. Finnerty offers two opinions: 1) "[t]he market for the common stock of Sonoco was open, developed, and efficient during the Class Period[;]" and 2) "[t]he abnormal return of Sonoco's common stock on July 20, 2007 is -12.63%, and the abnormal return of Sonoco's common stock on September 18, 2007 is -10.37%. Both abnormal negative returns are highly statistically significant."<sup>4</sup>
12. I have been asked by Counsel for Defendants to review the Finnerty Declaration and to comment on whether the analysis presented therein is adequate, from an economic perspective, to conclude that Sonoco's stock price declines on July 20, 2007 and September 18, 2007 were caused by disclosure of the price concessions. I have also been asked to determine whether conflicts of interest exist between Plaintiff and prospective Class Members.
13. The materials I have considered are listed in Exhibit B. As a result of my analysis, I have reached the following conclusions:
  - The Finnerty Declaration is inadequate, from an economic perspective, to conclude that Sonoco's stock price declines on July 20, 2007 and September 18, 2007 were caused by disclosure of the price concessions; and.
  - There are clear conflicts of interest between Plaintiff and prospective Class Member Ann Arbor VEBA.<sup>5</sup>
14. Sections III and IV describe the bases for my opinions. Section V concludes this Declaration.

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<sup>3</sup> Amended Complaint, see ¶ 3 and ¶ 49.

<sup>4</sup> Finnerty Declaration, see ¶ 7.

<sup>5</sup> I understand that Ann Arbor VEBA is a separate entity from Plaintiff. See Deposition of Willy Powell, January 29, 2010, at pp. 69-71.

**III. THE FINNERTY DECLARATION IS INADEQUATE, FROM AN ECONOMIC PERSPECTIVE, TO CONCLUDE THAT SONOCO'S STOCK PRICE DECLINES ON JULY 20, 2007 AND SEPTEMBER 18, 2007 WERE CAUSED BY DISCLOSURE OF THE PRICE CONCESSIONS**

15. The purpose of this section is to discuss whether the Finnerty Declaration is sufficient to establish, from an economic perspective, that Sonoco's stock price declines on July 20, 2007 and September 18, 2007 were caused by disclosure of the price concessions. The Finnerty Declaration suffers from multiple shortcomings in this regard.
16. First, the Finnerty Declaration states that “[t]he announcement by Sonoco that its earnings per diluted share decreased to \$.41 per share was a surprise to Wall Street since Sonoco had estimated in its April 20, 2007 press release that its second quarter earnings would be \$.55 to \$.58 per diluted share.”<sup>6</sup> In making this statement, Dr. Finnerty improperly compares Sonoco's \$.41 in GAAP earnings per share to its guidance of \$.55 to \$.58 of “base” earnings per diluted share, where base earnings exclude the effects of certain non-recurring items. Indeed, Sonoco's reported base earnings of \$.56 per diluted share on July 20, 2007 were within the range of its previous guidance. It is reasonable to conclude that market participants had ample information to understand the distinction between these two measures since the first page of Sonoco's press release on July 20, 2007 defines the relationship between “base” and GAAP earnings, and the press release also contains a table that reconciles the two measures.<sup>7</sup>
17. Second, the Finnerty Declaration merely presents the firm-specific or “abnormal” component of Sonoco's stock return on July 20, 2007 and September 18, 2007, and documents the statistical significance of these “abnormal returns,” given the particular event study methodology employed by Dr. Finnerty. Specifically, Dr. Finnerty opines that “[t]he abnormal return of Sonoco's common stock on July 20, 2007 is -12.63%, and the abnormal return of Sonoco's common stock on September 18, 2007 is -10.37%. Both

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<sup>6</sup> Finnerty Declaration, see ¶ 32.

<sup>7</sup> “Base earnings is a non-GAAP financial measure that excludes restructuring charges, environmental charges, and certain other non-recurring or infrequent and unusual expenses, as applicable.” Sonoco Products Company Form 8-K, Exhibit 99, “Sonoco Reports Second Quarter 2007 Financial Results,” Sonoco News Release, July 20, 2007, see p. 1; see also p. 9 for the table reconciling base and GAAP earnings per share.

abnormal negative returns are highly statistically significant.”<sup>8</sup>

18. However, the Finnerty Declaration contains neither an opinion nor any analysis as to whether the negative abnormal returns on Sonoco’s common stock on these two days were related to – much less caused by – Plaintiff’s claim that Sonoco had granted price concessions to “several of its large customers in its [Consumer] Packaging segment,” and that these price concessions “would negatively impact the Company’s operational results.”<sup>9</sup> Absent economic evidence on the cause of Sonoco’s negative abnormal returns on these two dates, there is nothing to connect Plaintiff’s losses to the allegations presented in the Amended Complaint. I address Dr. Finnerty’s analysis of Sonoco’s negative abnormal returns on July 20, 2007 and September 18, 2007, respectively, in the discussion below.

#### A. July 20, 2007

19. Sonoco’s announcement on July 20, 2007 contained several disclosures, including:

- GAAP diluted EPS for the second quarter of \$.41, down from \$.49 in the same quarter one year earlier;
- “Base” EPS, calculated by adjusting GAAP EPS for non-recurring charges totaling \$.15 per share, was \$.56 per share, up from \$.51 per share in the same quarter one year earlier;
- Base EPS for the second quarter were within the range of guidance provided, despite “lower than expected volumes and a challenging operating environment due to high raw materials and other costs[.]”<sup>10</sup>
- Sonoco’s Consumer Packaging segment experienced “volume declines in rigid paper containers and flexible packaging[.]”
- Base operating profit in the Consumer Packaging segment “declined due to the lower volumes, price reductions in certain flexible packaging without offsetting reductions in costs, an unfavorable change in the mix of business, along with rising

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<sup>8</sup> Finnerty Declaration, see ¶ 7.

<sup>9</sup> Amended Complaint, see ¶ 3.

<sup>10</sup> In April 2007, Sonoco provided guidance for the second quarter of base EPS in the range of \$.55 to \$.58 per diluted share. Sonoco Products Company Form 8-K, Exhibit 99, “Sonoco Reports First Quarter 2007 Financial Results,” Sonoco News Release, April 20, 2007, see p. 2.

labor and other costs[;]"

- Productivity in the Consumer Packaging segment was "negatively impacted by operational issues in flexible packaging[;]"
- Excluding the effects of acquisitions, second quarter volume in Sonoco's Tubes and Cores/Paper segment declined relative to the same quarter one year earlier;
- Sonoco's Packaging Services segment experienced an "an unfavorable mix in business and increased operating costs[;]" and,
- Management confirmed its existing guidance for 2007 full year base EPS of \$2.36 to \$2.40 per share.<sup>11</sup>

20. The Amended Complaint highlights an excerpt from Sonoco's conference call on July 20, 2007 related to "difficulties in the [Consumer] segment:"

*"Now let me talk about the segments. The segments that I'm going to refer exclude the restructuring and they exclude the Fox River charge, so you can refer to one of the back pages on the press release to see the actual numbers. I'll start with the consumer segment. In consumer, if you recall is principally composite cans, flexibles and metal ends, Consumer sales were up 6.4% year-over-year, and EBIT or operating profits were down 14.5%. Frankly, our flexible division struggled during the second quarter because absent flexibles if we took flexibles out of these numbers, both sales and operating profits would be up more than 10% in the consumer segment. We did experience a lot of turmoil in flexibles. Some of that was caused by production that was shifting around to accommodate the launch of the new generation of snack 'n seal. And by moving that production around, we did have negative productivity, and that was largely in the form of high scrap. We also had high freight costs. We had high cylinder and plate costs, and in addition to that we had the start up of two new flex-o presses, plus one other press that was installed earlier in the year and wasn't up to speed. So those were all of the factors that influenced flexibles performance during the quarter."<sup>12</sup>*

21. Yet, the Finnerty Declaration contains no analysis to identify the portion of Sonoco's abnormal return on that day, if any, attributable to Sonoco's announcement of "price reductions in certain flexible packaging without offsetting reductions in costs" in its Consumer Packaging segment.<sup>13</sup> At minimum, an economic analysis of loss causation as it relates to Sonoco's July 20, 2007 abnormal return must acknowledge that multiple news

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<sup>11</sup> Sonoco Products Company Form 8-K, Exhibit 99, "Sonoco Reports Second Quarter 2007 Financial Results," Sonoco News Release, July 20, 2007, see pp. 1-3 and 9.

<sup>12</sup> Amended Complaint, see ¶ 76.

<sup>13</sup> Sonoco Products Company Form 8-K, Exhibit 99, "Sonoco Reports Second Quarter 2007 Financial Results," Sonoco News Release, July 20, 2007, see p. 3.

items were disclosed that day and present evidence to distinguish the contribution, if any, of each of the separate news items in the determination of the abnormal return. But, the Finnerty Declaration does not contain such an analysis, and is therefore inadequate, from an economic perspective, to establish loss causation as it relates to Plaintiff's alleged losses on July 20, 2007.

#### **B. September 18, 2007**

22. On September 18, 2007, Sonoco lowered its base earnings guidance for the third quarter of 2007 to be in the range of \$.55 to \$.58 per diluted share from its previously stated guidance for that quarter of \$.62 to \$.65 per diluted share.<sup>14</sup> The Company also lowered its base earnings guidance for the full 2007 year to be in the range of \$2.23 to \$2.26 per diluted share from the previously stated range of \$2.36 to \$2.40 per diluted share.<sup>15</sup> Commenting on the reduction in guidance, Chairman, President and CEO Harris E. DeLoach, Jr. stated that the revised expectations reflected "a greater than expected decline in volumes across most of our served markets as a result of weaker market conditions. In addition, raw material and other costs exceeded our projections including higher prices for old corrugated containers (OCC), our most significant raw material."<sup>16</sup> DeLoach also expressed caution about the remainder of 2007 due to an apparent "slowing of general economic activity, primarily in North America."<sup>17</sup>
23. On September 18, 2007, Sonoco's stock price closed at \$30.78, down \$2.42 or 7.3% from the previous day's closing price of \$33.20.
24. The September 18, 2007 announcement by Sonoco contains no reference to news that would purport to correct Defendants' alleged material omission of information concerning its "price reductions in certain flexible packaging without offsetting reductions in costs" in

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<sup>14</sup> Sonoco Products Company Form 8-K, Exhibit 99, "Sonoco Lowers Base Earnings Guidance for Third Quarter and Full Year 2007," Sonoco News Release, September 18, 2007, see p. 1.

<sup>15</sup> Sonoco Products Company Form 8-K, Exhibit 99, "Sonoco Lowers Base Earnings Guidance for Third Quarter and Full Year 2007," Sonoco News Release, September 18, 2007, see p. 1. Sonoco's press release on September 18, 2007 also stated that the revised guidance for the third quarter and full year included a benefit of \$.03 per share from the release of certain income tax reserves not reflected in the previous guidance.

<sup>16</sup> Sonoco Products Company Form 8-K, Exhibit 99, "Sonoco Lowers Base Earnings Guidance for Third Quarter and Full Year 2007," Sonoco News Release, September 18, 2007, see p. 1.

<sup>17</sup> Sonoco Products Company Form 8-K, Exhibit 99, "Sonoco Lowers Base Earnings Guidance for Third Quarter and Full Year 2007," Sonoco News Release, September 18, 2007, see p. 1.

its Consumer Packaging Segment.<sup>18</sup> Indeed, since Sonoco had previously announced the “price reductions” among its July 20, 2007 disclosures, and Plaintiff, through Dr. Finnerty, claims that the market for Sonoco stock was efficient, then even under Plaintiff’s theory that Defendants’ omission of information about the “price reductions” materially inflated Sonoco’s stock price: 1) this information would have been fully reflected in Sonoco’s stock price by the close of trading on July 20, 2007; and 2) as a consequence, prospective Class Members would have been on notice about the price concessions at all times after July 20, 2007. In other words, the Finnerty Declaration does not present any information tying the abnormal return on September 18, 2007 to new adverse information about the “price reductions.” Therefore, Dr. Finnerty’s analysis of Sonoco’s abnormal return on this date is inadequate, from an economic perspective, to establish that the price decline on September 18, 2007 was caused by any disclosure of price concessions.

#### **IV. THERE ARE CLEAR CONFLICTS OF INTEREST BETWEEN PLAINTIFF AND PROSPECTIVE CLASS MEMBER ANN ARBOR VEBA**

25. The potential recoveries of Plaintiff and of each prospective Class Member in this case are determined by the timing and amounts of their purchases and sales of Sonoco stock, the pattern of alleged artificial inflation, and the Class Period itself.
26. For example, a prospective Class Member who both purchased and sold Sonoco stock during the proposed Class Period could, as an economic matter, have been harmed by purchasing at artificially inflated prices, but could also have benefited from selling at artificially inflated prices. The extent to which a prospective Class Member benefited from selling shares would determine whether his or her interests were aligned with those of other prospective Class Members who only purchased, but did not sell during the proposed Class Period.
27. Moreover, where the amount of alleged artificial inflation in Sonoco’s stock price changes over the course of the Class Period, e.g., due to multiple purported corrective announcements, as in the present case, such conflicts of interest among prospective Class

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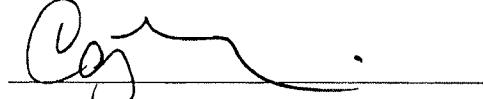
<sup>18</sup> Sonoco Products Company Form 8-K, Exhibit 99, "Sonoco Reports Second Quarter 2007 Financial Results," Sonoco News Release, July 20, 2007, see pp. 1-3.

Members may be exacerbated.

28. Finally, the definition of the proposed Class Period dictates which of the prospective Class Members' transactions of Sonoco stock occurred at allegedly inflated prices.
29. Indeed, inspection of the trading in Sonoco common stock during the proposed Class Period by Plaintiff and prospective Class Member Ann Arbor VEBA reveals conflicts of interest between these two entities.
30. Exhibit C lists the trading patterns of two accounts submitted by Plaintiff. The first account is held by Plaintiff. Total net purchases for this account were 876 shares for the period prior to July 20, 2007, and zero for the period after July 20, 2007. Total alleged damages would be higher if the Class Period is defined to be February 7, 2007 through September 18, 2007, than if the Class Period is defined to be February 7, 2007 through July 20, 2007.
31. The second account is held by prospective Class Member Ann Arbor VEBA. Total net purchases for this account were 2,200 shares for the period prior to July 20, 2007, and total net sales were 3,700 shares during the period after July 20, 2007. Total alleged damages would be lower if the Class Period is defined to be February 7, 2007 through September 18, 2007, than if the Class Period is defined to be February 7, 2007 through July 20, 2007.
32. Alleged damages for Plaintiff are higher for the proposed Class Period from February 7, 2007 through September 18, 2007 than they would be if the Class Period were to end on July 20, 2007, but the alleged damages for prospective Class Member Ann Arbor VEBA would be higher if the Class Period were to end on July 20, 2007 than under the proposed Class Period ending on September 18, 2007. This result reflects a conflict of interest between the two entities, since each one would prefer a different Class Period in order to maximize its alleged damages.

## V. CONCLUSION

33. Based on the analysis described herein, it is my opinion that: 1) the Finnerty Declaration is inadequate, from an economic perspective, to conclude that Sonoco's stock price declines on July 20, 2007 and September 18, 2007 were caused by disclosure of the price concessions; and 2) there are clear conflicts of interest between Plaintiff and prospective Class Member Ann Arbor VEBA.
34. My work on this case is ongoing. As such, I reserve the right to supplement my opinions if additional information becomes available.



Cathy M. Niden

March 1, 2010

## **Exhibit A**



## Cathy M. Niden, Director, LECG

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Evanston, Illinois 60201  
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fax: 847.475.1031  
email: cniden@lecg.com

### BIO/SUMMARY

Cathy M. Niden provides expertise in financial economics specializing in financial markets, corporate finance, and securities regulation. She has served as expert witness in cases alleging securities fraud, insider trading, wrongful termination, breach of contract, and ERISA violations in connection with 401(k) and other retirement plans. In addition, she has directed analyses addressing a broad range of issues in financial economics including valuation, ownership and control of firms as they relate to acquisitions and corporate governance, accounting restatements, and securities regulation. Dr. Niden has published scholarly articles on the topics of corporate acquisitions, market microstructure, shareholder proxy voting, and the price-volume relation in stock markets. Dr. Niden previously served as a senior vice president at Lexecon. Dr. Niden also served as Associate Chief Economist and Academic Fellow at the Securities and Exchange Commission Office of Economic Analysis. She also served as a faculty member at the University of Notre Dame and the University of Pittsburgh. Dr. Niden received her AB, MBA, and PhD degrees from the University of Chicago.

### EDUCATION

PhD, Finance and Economics, University of Chicago, Graduate School of Business, 1988.  
MBA, Finance, University of Chicago, Graduate School of Business, 1984.  
AB, Business, University of Chicago, 1981.

### PRESENT POSITIONS

LECG, Evanston, Illinois. Director (September 2006 to present)

Loyola University of Chicago, Chicago, Illinois, Adjunct Professor (Spring 2010).

### OTHER POSITIONS HELD

Lexecon Inc., Chicago, Illinois. Senior Vice President (November 2003–July 2006); Vice President (December 2001–November 2003). Economist (March 1998 – December 2001)

US Securities and Exchange Commission, Office of Economic Analysis, Washington, DC Associate Chief Economist (February 1997–February 1998); Academic Economic Fellow (July 1996–February 1998)

Department of Finance and Business Economics, College of Business Administration, University of Notre Dame, Notre Dame, IN. Assistant Professor (August 1990–March 1998, on leave July 1996–



February 1998). Taught Undergraduate Introductory Finance; Quantitative Methods in Finance (Econometrics); and Mergers & Acquisitions.

Joseph M. Katz Graduate School of Business, University of Pittsburgh, Pittsburgh, PA. Assistant Professor (September 1988–August 1990); Lecturer in Finance (September 1986–August 1988). Taught MBA and Undergraduate Introductory Finance; PhD Corporate Finance.

Loyola University of Chicago, Chicago, IL (Autumn 1984): Lecturer in Finance. Taught Undergraduate Introductory Finance.

#### **PUBLICATIONS AND RESEARCH**

"The Information Content of Credit Default Swap Prices," *The Andrews Derivatives Litigation Reporter*, July 21, 2008. Coauthor: Rosa M. Abrantes-Metz.

"Economic Analysis in Securities Class Certifications," in *Litigation Services Handbook*, "The Role of the Financial Expert, Fourth Edition, 2008 Supplement, ed. Roman L. Weil, Peter B. Frank, Kevin D. Kreb and Michael J. Wagner, (Hoboken: John Wiley & Sons, forthcoming 2008), Chapter 18A. Coauthor: Mohan Rao.

"Economic Analysis in ERISA Class Actions Involving Employee Investments in Company Stock," *Benefits & Compensation Digest*, April 2007 Web-Exclusive Edition,  
<http://www.ifebp.org/pdf/webexclusive/07apr.pdf>.

"Current Perspectives on Shareholder Proposals: Lessons from the 1997 Proxy Season," *Financial Management*, Spring 1999, pp. 89–98. Coauthors: Stuart Gillan and Cynthia J. Campbell.

Invited book review of *Anatomy of a Merger* by Alexandra Post, *Journal of Finance*, December 1994, pp. 1932–1935.

"Volume and Autocovariances in Short-Horizon Individual Security Returns," *Journal of Finance*, September 1994, pp. 1305–1329; also abstracted in *Journal of Finance*, July 1994, pp. 1063–1064. Coauthors: Jennifer Conrad and Allaudeen Hameed.

"An Empirical Analysis of White Knight Corporate Takeovers: Synergy and Overbidding;" *Financial Management*, Winter 1993, pp. 28–45.

"Order Flow, Trading Costs and Corporate Acquisition Announcements," *Financial Management*, Winter 1992, pp. 22–31. Coauthor: Jennifer Conrad.

#### **TESTIMONY**

*Michael J. Thompson, et al., v. Retirement Plan for Employees of S.C. Johnson & Sons, Inc., and Retirement Plan for Employees of JohnsonDiversey Inc.*, United States District Court, Eastern District of Wisconsin, Case No. 07-C-1047 (Deposition: September 10, 2009).

LeCG

*Glen Tibble, et al., v. Edison International, et al.*, United States District Court, Central District of California, Case No. 07-05359 (Deposition: May 21, 2009).

*Apollo Property Partners, LLC, v. Diamond Houston, Inc., Northbrook; and Diamond Houston I, LP, Diamond Houston, Inc., v. Apollo Property Partners, LLC, Prieur J. Leary, Jr. and Leary Development, LLC*, American Arbitration Association, Case No. 51-148-Y-01448-07 (Testimony: April 18, 2009).

*Gerald George, et al., v. Kraft Foods Global, Inc., et al.*, United States District Court, Northern District of Illinois, Case No. 1:08-cv-03799 (Deposition: December 18, 2008).

*In Re: Alco Industries, Inc. v. Wachovia Corporation, et al.*, United States District Court for the Eastern District of Pennsylvania, Civil Action No. 04-6090 (Deposition: April 5, 2007).

*In Re: Wayman Wendell Cheatham, M.D. v. MannKind Corporation, et al.*, Superior Court for the State of California for the County of Los Angeles, Case No. BC333845 (Deposition: February 22, 2007).

*In Re: John Brugos, et al. v. Garry Nannenga, et al.*, United States District Court for the Northern District of Indiana, South Bend Division, Case No. 2:03CV-547RM (Deposition: December 13, 2006).

*In Re: Sheila Hertzberg, et al., v. Asia Pulp & Paper Company, Ltd., et al.*, United States District Court for the Southern District of New York, Case No. 01-CV-7351 (Testimony: February 27, 2006).

*In Re: Electronic Data Systems Corporation ERISA Litigation*, United States District Court for the Eastern District of Texas, Tyler Division, No. 6:03-MD-1512, Lead Case 6:03-CV-126 (Testimony: June 22, 2005).

*In Re: Joseph Vecchio, Joseph Vecchio Unitrust, Michael Vecchio and William Kaiser v. Waste Management, Inc., f/k/a USA Waste Services, Inc., Rodney R. Proto, and Earl E. DeFrates*, District Court of Harris County, Texas, 270<sup>th</sup> Judicial District, No. 2003-22897, Houston, Texas (Deposition: February 18, 2005).

*In Re: Tribune Company v. Commissioner*, United States Tax Court, Docket Number 17443-02, Los Angeles, California (Testimony: December 15, 2004).

*In Re: Liberty Re (Bermuda) v. Transamerica Occidental Life Insurance Company*, Arbitration Before: Richard E. Stewart, Monica Hainer and T. Richard Kennedy (Deposition: April 1, 2004).

*In Re: Anthony Lomangino, et al., v. Waste Management, Inc. and Waste Management Holdings, Inc.*, American Arbitration Association Northern Case Management Center, Case No. 13 199 02361 01 (Testimony: November 18, 2002; Deposition October 3, 2002).

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*In Re: Hickory Hills Development Company, LLC, Michael J. Bogese, Jr., David L. Carter, and Interstate Investment Company, L.P. v. The Lake County Solid Waste Management District, Lake County Superior Court, Hammond, Indiana, No. 45D05-0008-CP-560 (Deposition: November 12, 2002).*

*In Re: Aetna Inc. Securities Litigation, United States District Court for the Eastern District of Pennsylvania, MDL Docket No. 1219 (All Cases), (Deposition: June 27, 2000).*

#### **PROFESSIONAL ASSOCIATIONS**

Midwest Financial Association: Director-Institutional (beginning February 2010)

Financial Management Association: Member; Practitioner Director (2003–2004)

American Bar Association: Associate Member

## **Exhibit B**

## List of Materials Considered

<b>Description</b>	<b>Bates Range</b>
<b>Pleadings</b>	
Amended Class Action Complaint, <i>City of Ann Arbor Employees' Retirement System vs. Sonoco Products Co., Harris E. DeLoach Jr. and Charles J. Hupfer</i> , Before the United States District Court, District of South Carolina, Florence Division, No. 4:08-cv-02348-TLW-TER, October 14, 2008	
Defendants' Motion to Dismiss Class Action Complaint for Violations of Federal Securities Laws, <i>City of Ann Arbor Employees' Retirement System, vs. Sonoco Products Co., Harris E. DeLoach Jr., and Charles J. Hupfer</i> , Before the United States District Court, District of South Carolina, Florence Division, No. 4:08-cv-02348-TLW-TER, July 28, 2008	
Defendants' Motion to Dismiss Amended Class Action Complaint, <i>City of Ann Arbor Employees' Retirement System, vs. Sonoco Products Co., Harris E. DeLoach Jr., and Charles J. Hupfer</i> , Before the United States District Court, District of South Carolina, Florence Division, No. 4:08-cv-02348-TLW-TER, November 5, 2008	
Lead Plaintiff's Opposition to Defendant's Motion to Dismiss, <i>City of Ann Arbor Employees' Retirement System, vs. Sonoco Products Co., Harris E. DeLoach Jr., and Charles J. Hupfer</i> , Before the United States District Court, District of South Carolina, Florence Division, No. 4:08-cv-02348-TLW-TER, November 25, 2008	
Lead Plaintiff City of Ann Arbor Employees' Retirement System's Motion for Class Certification and Incorporated Memorandum of Law, <i>City of Ann Arbor Employees' Retirement System, vs. Sonoco Products Co., Harris E. DeLoach Jr., and Charles J. Hupfer</i> , Before the United States District Court, District of South Carolina, Florence Division, No. 4:08-cv-02348-TLW-TER, November 16, 2009	

Description	Bates Range
<b>Declarations</b>	
Declaration of John D. Finnerty, Ph.D. in Support of Lead Plaintiff's Motion for Class Certification, with Exhibits, November 16, 2009	
<b>Depositions</b>	
Deposition Transcript of Willy Powell, January 29, 2010	
Deposition Transcript of John Finnerty, February 5, 2010	
<b>Financial Information</b>	
Sonoco Products Company Form 8-K, Exhibit 99, "Sonoco Reports 2005 Fourth Quarter and Twelve Months Financial Results," Sonoco News Release, February 1, 2006	
Sonoco Products Company Form 8-K, Exhibit 99, "Sonoco Reports First Quarter Financial Results," Sonoco News Release, April 19, 2006	
Sonoco Products Company Form 10-Q for the quarterly period ended June 25, 2006	
Sonoco Products Company Form 10-Q for the quarterly period ended September 24, 2006	
Sonoco Products Company Form 10-K for the fiscal year ended December 31, 2006	
Sonoco Products Company Form 10-Q for the quarterly period ended April 1, 2007	
Sonoco Products Co., Annual Meeting, April 18, 2007	
Sonoco Products Company Schedule 14A, April 18, 2007	
Sonoco Products Company Form 8-K, Exhibit 99, "Sonoco Reports First Quarter 2007 Financial Results," Sonoco News Release, April 20, 2007	
Sonoco Products Company Form 10-Q for the quarterly period ended July 1, 2007	

Description	Bates Range
Sonoco Products Company Form 8-K, Exhibit 99, "Sonoco Reports Second Quarter 2007 Financial Results," Sonoco News Release, July 20, 2007	
Sonoco Products Company Form 8-K, Exhibit 99, "Sonoco Lowers Base Earnings Guidance for Third Quarter and Full Year 2007," Sonoco News Release, September 18, 2007	
Sonoco Products Company Form 10-Q for the quarterly period ended September 30, 2007	
Sonoco Products Company Form 8-K, Exhibit 99, "Sonoco Reports Third Quarter 2007 Financial Results," Sonoco News Release, October 19, 2007	
Sonoco Products Company Form 10-K for the fiscal year ended December 31, 2007	
Sonoco Products Company Schedule 14A, March 14, 2008	
Sonoco Products Company Schedule 14A, March 12, 2009	
<i>Analyst Reports</i>	
Claudia Shank, "Sonoco: Continuing to Stay Ahead of Costs; Maintain OW," JPMorgan Analyst Report, February 7, 2007	SON 026 0976
Claudia Shank, "Sonoco: Solid, In-Line Q4; Strong FCF - Alert," JPMorgan Analyst Report, February 7, 2007	SON 026 0988
Edings Thibault, "Sonoco Products: 4Q In-Line, Outlook Unchanged," Morgan Stanley Analyst Report, February 7, 2007	SON 026 0987
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## **Exhibit C**

**Sonoco Products Company Common Stock Transactions for  
City of Ann Arbor Employees' Retirement System and Ann  
Arbor VEBA During the Proposed Class Period**

	<b>Date</b>	<b>Shares</b>
<b>City of Ann Arbor Employees' Retirement System</b>	Before July 20, 2007	876
	After July 20, 2007	0
	<b>Total</b>	<b>876</b>

	<b>Date</b>	<b>Shares</b>
<b>Ann Arbor VEBA</b>	Before July 20, 2007	2,200
	After July 20, 2007	(3,700)
	<b>Total</b>	<b>(1,500)</b>

**Sources:** Portfolio Statement for Ann Arbor VEBA Chicago Equity Partners, July 1, 2006-June 30, 2007, Ann Arbor -- 000124; Portfolio Statement for Ann Arbor VEBA Chicago Equity Partners, July 1, 2007-June 30, 2008, Ann Arbor -- 000117; Portfolio Statement for City of Ann Arbor Employees Retirement Oppenheimer Capital, July 1, 2006-June 30, 2007, Ann Arbor -- 009863-4; and Portfolio Statement for City of Ann Arbor Employees Retirement Rhumbline, July 1, 2006-June 30, 2007, Ann Arbor -- 000157.